Risk Factors Comparison 2024-02-29 to 2023-03-01 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

~~As a provider of certain subscription- based products and services, we are also impacted by laws or regulations affecting whether and how our businesses may periodically charge users for membership or subscription renewals. For example, the European Union Payment Services Directive, which became effective in 2018, could impact the ability of certain of our businesses to efficiently process auto- renewal payments for, as well as offer promotional or differentiated pricing to, users who reside in the European Union. Similar laws exist in the U. S., including the federal Restore Online Shoppers Confidence Act and various U. S. state laws, and legislative and regulatory enactments or amendments are under consideration in a number of U. S. states. The adoption of any law that adversely affects revenue from recurring membership and / or subscription payments could adversely affect our business, financial condition and results of operations, particularly in the case of our Dotdash Meredith, Angi Inc., Care. com and Mosaic Group businesses. We are also subject to laws, rules and regulations governing the marketing and advertising activities of our various businesses conducted by or through telephone, email, mobile digital devices and the Internet, including the Telephone Consumer Protection Act of 1991, the Telemarketing Sales Rule, the CAN- SPAM act and similar state laws, rules and regulations, as well as local laws, rules and regulations and relevant agency guidelines governing background screening. In addition, we also are subject to various other federal, state, and local laws, rules and regulations focused on consumer protection. These laws, rules and regulations are enforced by governmental entities such as the FTC and state Attorneys General offices and may confer private rights of action on consumers as well. Changes in these laws, or a proceeding of this nature, could have an adverse effect on us due to legal costs, impacts on business operations, diversion of management resources, negative publicity, and other factors.~~ We are also sensitive to the adoption of new tax laws. The European Commission and several European countries have adopted (or intend to adopt) proposals that **impact** ~~would change~~ various aspects of the current tax framework under which certain of our European businesses are taxed, including ~~proposals to change or impose~~ new types of non- income taxes (including digital services taxes in the United Kingdom ~~, France~~ and Italy, which are based on a percentage of revenue and tied to where consumers are located). Certain of our businesses are subject to digital services taxes in one or more of the jurisdictions listed above and similar proposed tax laws could adversely affect our business, financial condition and results of operations. In addition, **certain U. S. states have adopted or are considering the adoption of similar laws applicable to revenue attributable to digital advertising and other forms of digital commerce. In addition,** primarily in the case of certain businesses within our Angi Inc. ~~financial reporting~~ segment, we are sensitive to the adoption of worker classification laws, specifically, laws that could effectively require us to change the classification of certain service professionals from independent contractors to employees. **The Angi Inc. businesses sensitive to** ~~For example, California' s worker classification statute (AB 5) effectively narrowed the~~ **these** ~~definition of an independent contractor, using a strict test to determine a given worker' s classification and placing the burden of proof for meeting that test on the hiring entity. AB 5 also provided enforcement powers to the state and certain cities, leading the state and certain cities to initiate litigation to enforce the new law~~ **laws continue** ~~, particularly against app- based platform companies. AB 5 has been the subject of widespread national discussion, leading other jurisdictions (including Massachusetts, New Jersey and New York, among others)~~ to **monitor** ~~bring enforcement actions against alleged independent contractor misclassification and / or to propose legislation adopting a legal test similar to the one set forth in AB 5. At the same time, there has been a trend of the Internal Revenue Service entering into work and information sharing arrangements with the U. S. Department of Labor and state taxing authorities to address worker classification issues. Since we currently treat certain service professionals as independent contractors for all purposes, we do not withhold federal, state and local income or other employment related taxes, make federal or state unemployment tax or Federal Insurance Contributions Act payments or provide workers' compensation insurance with respect to~~ such ~~individuals. If we~~ **laws to ensure compliance and if they** are required to reclassify service professionals ~~as~~ **from independent contractors to** employees and / or ~~their~~ -- **the** classification **of service professionals** as independent contractors is challenged for any reason, we could be exposed to various liabilities and additional costs for prior and future periods, including exposure under federal, state and local tax laws, workers' compensation and unemployment benefits, minimum and overtime wage laws and other labor and employment laws, as well as potential liability for penalties and interest. If the amounts related to such liabilities and additional costs are significant, our business, financial condition and results of operations could be adversely affected. **See" Item 8 —** ~~As of the date of this report, we are involved in certain legal proceedings and investigations challenging the classification of service professionals as independent contractors, none of which we believe could have a material adverse effect on our business, financial~~ **Financial** ~~condition~~ **Statements** and **Supplementary Data — Note 17 — Contingencies** ~~results of operations, and may become involved in other proceedings and investigations of this nature in the future~~ . **"** Lastly, as a company based in the U. S. with foreign offices in various jurisdictions worldwide, we are subject to a variety of foreign laws governing the foreign operations of its various businesses, as well as U. S. laws that restrict trade and certain practices, such as the Foreign Corrupt Practices Act. Human Capital Overview IAC' s future success depends upon our continued ability to identify, hire, develop, motivate and retain a highly skilled and diverse workforce across our various businesses worldwide. While policies and practices related to the identification, hiring, development, motivation and retention of employees vary across IAC and our various businesses, at their core, such policies and practices are generally designed to: (i) increase long- term IAC stockholder value by attracting, retaining, motivating and rewarding employees with the competence, character, experience, diversity of perspective and ambition necessary to enable the Company to meet its growth objectives, (ii) encourage and support the professional development of, and engender loyalty among, employees who have demonstrated the strength, vision and determination necessary to overcome obstacles and unlock their true professional potential by providing them with appropriate opportunities within IAC and our businesses and (iii) help foster a diverse, inclusive and entrepreneurial culture across our various businesses. In order to achieve these objectives, we believe that we must continue to provide competitive compensation packages and otherwise incentivize employees in unique and attractive ways, as well as develop and promote talent from within and remain committed to building inclusive workplaces and workforces that reflect the diversity of the global population using our products and services each day. As of December 31, ~~2022~~ **2023** , IAC had nearly ~~11~~ **9** , ~~000~~ **500** employees, substantially all of whom were full- time employees and the substantial majority of whom were based in the United States ~~. We consider our relations with our employees to be good~~ . Compensation and Benefits We believe that we must continue to provide competitive compensation packages and other benefits to our workforce. While compensation packages vary across IAC and our various businesses, compensation packages generally consist of base salary (plus commissions in the case of sales and other similar positions) and, on a discretionary basis, annual cash bonuses (and in certain cases, equity or equity- based awards). We also provide comprehensive health, welfare and retirement benefits. Healthcare benefits are significantly subsidized by the Company and the coverage provided reflects our commitment to inclusivity and the physical and mental well-being of all employees. In the case of welfare benefits, we maintain generous paid time off and paid leave policies across our businesses and offer subsidized backup child and elder care for our employees. We believe in giving back to the causes and charities that are important to our employees and match charitable contributions made by our employees to qualifying charities on a dollar- for- dollar basis, subject to an annual cap per employee. We also encourage our employees to support the communities in which they live and work and provide our employees with paid time off each year to volunteer for charitable and community service projects. In the case of retirement benefits, in the U. S., we offer our employees a 401 (k) retirement savings program with generous employer matching contributions, subject to an annual cap per employee. We believe that we have a responsibility to encourage (and contribute to) the retirement readiness of each of our employees and believe that this generous 401 (k) retirement savings program matching contribution is a meaningful commitment to the long- term welfare and security of our workforce. Talent Development We generally aim to develop talent from within and supplement with external hires. As a result, senior management across the Company and our businesses generally possesses a great depth of knowledge and experience regarding the Company, with external hires providing a fresh perspective. The human resources teams across the Company and our businesses use internal and external resources to recruit highly skilled, talented and diverse employees, and employee referrals for open positions are encouraged. In addition, we actively seek to identify the next generation of leaders in technology early through the IAC Fellows program, a first- of- its- kind program connecting students from under- served and under- resourced backgrounds with academic and leadership opportunities. IAC Fellows join the program as early as high school and stay for up to six years, rotating across a diverse set of IAC businesses during that time in the form of competitively paid internships that put IAC Fellows in the trenches, testing their skills in real world scenarios. Through these experiences, IAC Fellows gain exposure to different business models, functions and roles within IAC, as well as access to IAC senior leadership as mentors and coaches. IAC Fellows also receive an academic stipend following the completion of each paid internship. For those IAC Fellows hired by IAC or any of its businesses following the completion of their paid internships and who stay for a period of three years, IAC will pay off the entirety of their school loans. To be eligible for the IAC Fellows program, ~~students~~ **applicants** must be **high- achieving students** from **historically** ~~low- income backgrounds or families with financial need, with eligibility assessed individually based on the composition~~ and **systematically underrepresented communities** ~~income of a given student' s family~~ , ~~and~~ with first- generation college students being given priority consideration. Students must be citizens or permanent residents of the U. S. and possess the following personal attributes: (i) leadership abilities, (ii) a strong interest in science, technology, computer science and / or math, (iii) demonstrated intellectual curiosity and devotion to study, (iv) a hunger to learn and achieve academically and (v) ethics, integrity and strength of character. Lastly, through our charitable foundation, we award scholarships to high- achieving students who have a demonstrable need for financial assistance ~~as a result of household income that falls below the designated national poverty level or cultural and / or family background that has placed them at an educational disadvantage~~ . Recipients can use scholarships for various college- related expenses, such as tuition, course- related fees, books, supplies and equipment. Diversity, Equity and Inclusion We are committed to building inclusive workplaces and workforces that reflect the diversity of the global population using our products and services each day. Accordingly, we view diversity, equity and inclusion (DE & I) efforts as integral to our success. While DE & I efforts, policies and practices vary across our businesses, they include (in addition to the IAC Fellows program discussed above) at certain of our businesses: (i) pay equity analyses conducted on an annual basis to ensure that women and employees from traditionally under- represented groups are not adversely impacted by pay bias, (ii) employee community resource groups (~~ECGs~~ **ERGs**) led and supported by senior executives (and in certain cases, funded by the relevant business) and (iii) ~~launching~~ DE & I councils ~~at certain of our businesses~~ that collaborate directly with senior executives to roll out DE & I training, as well to determine ways to diversify product and service experiences, attract a more diverse population of employees and invest in building diverse and equitable local communities. Additional Information Company Website and Public Filings The Company maintains a website at www. iac. com. Neither the information on the Company' s website, nor the information on the website of any IAC business, is incorporated by reference into this annual report, or into any other filings with, or into any other information furnished or submitted to, the SEC. The Company makes available, free of charge through its website, its annual reports on Form 10- K, quarterly reports on Form 10- Q and current reports on Form 8- K (including related amendments) as soon as reasonably practicable after they have been electronically filed with (or furnished to) the SEC. These reports (including related amendments) are also available at the SEC' s website, www. sec. gov. Code of Business Conduct and Ethics The Company' s Code of Business Conduct and Ethics applies to all of our employees (including IAC' s principal executive officers, principal financial officer and principal accounting officer) and directors and is posted on the Investor Relations section of the Company' s website at ir. iac. com under the " Code of Conduct " tab. This code complies with Item 406 of Regulation S- K and the rules of The Nasdaq Stock Market LLC. Any changes to this code that affect the provisions required by Item 406 of Regulation S- K (and any waivers of such provisions for IAC' s principal executive officers, principal financial officer, principal accounting officer and directors) will also be disclosed on IAC' s website. Item 1A. Risk Factors Cautionary Statement Regarding Forward- Looking Information This annual report on Form 10- K contains " forward - looking statements " within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as " anticipates, " " estimates, " " expects, " " plans " and " believes, " among others, generally identify forward- looking statements. These forward- looking statements include, among others, statements relating to: IAC' s future financial performance, IAC' s business prospects and strategy, anticipated trends and prospects in the industries in which IAC' s businesses operate and other similar matters. These forward- looking statements are based on IAC management' s expectations and assumptions about future events as of the date of this annual report, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Actual results could differ materially from those contained in these forward - looking statements for a variety of reasons, including, among others, the risk factors set forth below. Other unknown or unpredictable factors that could also adversely affect IAC' s business, financial condition and results of operations may arise from time to time. In light of these risks and uncertainties, the forward - looking statements discussed in this annual report may not prove to be accurate. Accordingly, you should not place undue reliance on these forward- looking statements, which only reflect the views of IAC management as of the date of this annual report. IAC does not undertake to update these forward - looking statements. Risk Factors Risk Factors Related to Our Business, Operations and Ownership Marketing efforts designed to drive visitors to our various brands and businesses may not be successful or cost- effective. Traffic building and conversion initiatives involve considerable expenditures for online and offline advertising and marketing. We have made, and expect to continue to make, significant expenditures for search engine marketing (primarily in the form of the purchase of keywords, which we purchase primarily through Google and, to a lesser extent, Microsoft and Yahoo!), social media advertising and other online display advertising and traditional offline advertising (including television and radio campaigns) in connection with these initiatives, which may not be successful or cost- effective. Also, to continue to reach consumers and users, we will need to continue to identify and devote more of our overall marketing expenditures to newer digital advertising channels (such as online video, social media, streaming, OTT and other digital platforms), as well as target consumers and users via these channels in a cost- effective manner. As these channels continue to evolve relative to traditional channels (such as television), it could continue to be difficult to assess returns on related marketing investments. Historically, we have had to increase advertising and marketing expenditures over time ~~in order~~ to attract and convert consumers, retain users of our various products and services and sustain our growth. Our ability to market our brands and businesses on any given property or channel is **generally** subject to the policies of the relevant third-party seller, publisher (including search engines, web browsers and social media platforms with extraordinarily high levels of traffic and numbers of users) or marketing affiliate. As a result, we cannot be certain that these parties will not limit or prohibit us or our affiliate marketing partners from purchasing certain types of advertising (including the purchase by us of advertising with preferential placement or for certain of our products and services) ~~and /~~ or using one or more current or prospective marketing channels in the future. If a significant marketing channel took such an action generally, for a significant period of time ~~and /~~ or on a recurring basis, our business, financial condition and results of operations could be adversely affected. In addition, if we fail to comply with the policies of third- party sellers, publishers and ~~/ or~~ marketing affiliates, our advertisements could be removed without notice ~~and /~~ or our accounts could be suspended or terminated, any of which could adversely affect our business, financial condition and results of operations. In addition, any phasing out (or blocking) of third- party cookies by web browsers could adversely affect our business, financial condition and results of operations. We rely heavily on free search engine marketing to drive traffic to our properties. The display, including rankings, of search results can be affected by a number of factors, many of which are not in our direct control, and may change frequently. Search engines have made changes in the past to their ranking algorithms, methodologies and design layouts that have reduced the prominence of links to websites offering our products and services ~~,~~ and negatively impacted traffic to such websites, and we expect that search engines will continue to make such changes from time to time in the future. However, we may not know how (or otherwise be in a position) to influence actions of this nature taken by search engines. With respect to search results in particular, even when search engines announce the details of their methodologies, their parameters may change from time to time, be poorly defined or be inconsistently interpreted. In addition, if there are changes in the usage and functioning of search engines ~~and /~~ or decreases in consumer use of search engines, for example, as a result of the continued development of artificial intelligence technology, this could negatively impact our ability to drive traffic to our properties. Our failure to respond successfully to rapid and frequent changes in the operating and pricing dynamics of search engines, as well as changing policies and guidelines applicable to keyword advertising and content quality (which may be unilaterally updated by search engines without advance notice) and any other changes in the usage and functioning of search engines (including decreased consumer use of search engines), could adversely affect our paid and free search engine marketing efforts. Specifically, such changes could adversely affect paid listings (both their placement and pricing), as well as the ranking of links to websites offering our products and services within search results, any or all of which could increase our marketing costs (particularly if free traffic is replaced with paid traffic) and adversely affect the effectiveness of our marketing efforts overall. In addition, the failure to respond successfully to ~~policy updates with respect to~~ the phasing out (or blocking) of third **-** party cookies by web browsers ~~(which may be done unilaterally by web browsers without notice)~~ , as well as consumers increasingly choosing to use browsers that do not support third **-** party cookies, could also adversely affect the effectiveness of our marketing efforts at those of our businesses that rely on cookies as a meaningful part of their overall marketing strategy. Lastly, in ~~addition to acquiring~~ **connection with the acquisition of** traffic and leads directly from ~~advertising networks~~ **third parties** , certain of our businesses also enter into various arrangements with ~~third~~ **such** parties (including advertising ~~agencies~~ **and marketing firms**) to drive traffic to their various brands and businesses and generate leads, which arrangements are generally more cost- effective than traditional marketing efforts. If these businesses are unable to renew existing (and enter into new) arrangements of this nature, sales and marketing costs as a percentage of revenue would increase over the long- term, which could adversely affect our business, financial condition and results of operations. In addition, **recent regulatory changes may make it more difficult for these businesses, particularly those within our Angi Inc. segment, to obtain traffic and leads by way of third- party affiliate relationships. See" Item 1 — Business — Description of IAC Businesses — Government Regulation" and" — Changes to certain requirements applicable to certain communications with consumers may adversely impact our ability to generate leads for service professionals." Lastly,** in the case of traffic and leads acquired directly and generated through third **-** party ~~arrangements~~ **affiliates** , the quality, validity (from real users with genuine interest and, if applicable, otherwise acquired in a manner that complies with contractual obligations in place with paid listings providers ~~and /~~ or advertisers) and convertibility of such traffic and leads are dependent on many factors, most of which are generally outside of our control. **If** ~~While certain of our businesses have systems in place designed to mitigate these risks, if~~ the quality, validity ~~and /~~ or convertibility of traffic and leads we acquire directly and / or via third ~~parties~~ **- party affiliates** do not meet the expectations of the users of our various products and services, our paid listings providers ~~and /~~ or advertisers (as well any third parties who may acquire such traffic or leads from our paid listings providers ~~and /~~ or advertisers), as applicable, our business, financial condition and results of operations could be adversely affected. We rely on search engines to drive traffic to our various properties. Certain search engine operators offer products and services that compete directly with our products and services. If links to websites offering our products and services are not displayed prominently in search results, traffic to our properties could decline and our business could be adversely affected. As discussed above, the amount of traffic we attract through search engines is due in large part to how and where websites offering our products and services (and related information and links to those properties) are displayed on search engine results pages. Certain search engine operators offer products and services that compete directly with our products and services and may change their displays or rankings in order to promote their products or services ~~,~~ or the products or services of one or more of our competitors. Any such action could negatively impact the search rankings of links to websites offering our products and services, or the prominence with which such links appear in search results. Our success depends on the ability of links to websites offering our products and services to maintain a prominent position in search results, and in the event operators of search engines promote their own competing products in the future in a manner that has the effect of reducing the prominence or ranking of links to websites offering our products and services, our business, financial condition and results of operations could be adversely affected. Certain of our businesses depend upon arrangements with Google. A meaningful portion of our consolidated revenue (and a substantial portion of our net cash from operations that we can freely access) is attributable to a services agreement with Google. Pursuant to this agreement, we display and syndicate paid listings provided by Google in response to search queries generated through the businesses within our Search ~~financial reporting~~ segment. In exchange for making our search traffic available to Google, we receive a share of the revenue generated by the paid listings supplied to us, as well as certain other search related services. Our agreement with Google expires on March 31, ~~2024~~ **2025** ~~and provides for an automatic renewal for an additional year absent a notice of non- renewal from either party on or before March 31, 2023~~ . The amount of revenue we receive from Google depends on a number of factors outside of our control, including the amount Google charges for advertisements, the efficiency of Google' s system in attracting advertisers and serving up paid listings in response to search queries and parameters established by Google regarding the number and placement of paid listings displayed in response to search queries. In addition, Google makes judgments about the relative attractiveness (to advertisers) of clicks on paid listings from searches performed on our properties and these judgments factor into the amount of revenue we receive. Google also makes judgments about the relative attractiveness (to users) of paid listings from searches performed on our properties and these judgments factor into the number of advertisements that we can purchase. Changes to the amount Google charges advertisers, the efficiency of Google' s paid listings network **and the quality of related traffic** , Google' s judgment about the relative attractiveness to advertisers of clicks on paid listings from our properties or to the parameters applicable to the display of paid listings generally could result in a decrease in the amount of revenue we receive from Google and could adversely affect our business, financial condition and results of operations. Such changes could come about for a number of reasons, including general market conditions, competition or policy and operating decisions made by Google. Our services agreement with Google also requires that we comply with certain guidelines for the use of Google brands and services, including the Chrome browser and Chrome Web Store. These guidelines govern which of our products and applications may access Google services or be distributed through its Chrome Web Store, and the manner in which Google' s paid listings are displayed within search results across various third- party platforms and products (including our properties). Our services agreement also requires that we establish guidelines to govern certain activities of third parties to whom we syndicate paid listings, including the manner in which these parties drive search traffic to their websites and display paid listings. Google may generally unilaterally update its policies and guidelines without advance notice, whether under the services agreement or otherwise, which could in turn require modifications to, or prohibit and / or render obsolete certain of our products, services and / or business practices, which could be costly to address or otherwise adversely affect our business, financial condition and results of operations. Noncompliance with Google' s guidelines by us or the third parties to whom we are permitted to syndicate paid listings or through which we secure distribution arrangements for the businesses within our Search financial reporting segment could result in the suspension of some or all Google services to us (or the websites of our third **-** party partners) and / or the termination of the services agreement by Google. Google has, in the past, made policy changes generally and under the services agreement, which had a negative impact on the historical and expected future results of operations of our Desktop business, as well as suspended services with respect to some of our Desktop products, and may take continued or further action with respect to our products and businesses in the future. The termination of the services agreement by Google **(including the non- renewal of the agreement upon its expiration)** , the curtailment **or worsening** of our rights under the agreement, including the failure to allow our products to access Google services (whether pursuant to the terms thereof or otherwise), and / or the failure of Google to perform its obligations under the agreement and / or policy changes implemented by Google under the services agreement or otherwise would have an adverse effect on our business, financial condition and results of operations. If any of these events were to occur, we may not be able to find another suitable alternate provider of paid listings (or if an alternate provider were found, the economic and other terms of the agreement and the quality of paid listings may be inferior relative to our arrangements with (and the paid listings supplied by) Google) or otherwise replace the lost revenues. **Changes** ~~Our success depends,~~ in **the usage** ~~substantial part, on our continued ability to market, distribute~~ and **functioning of** ~~monetize our products and services through~~ search engines **related to generative artificial intelligence technology (“ GAI ”)** , **related disruption to marketing technologies and platforms and use of our content by GAI chatbots could adversely impact our business, financial condition and results of operations. GAI- powered chatbots and other tools could change the way people access and consume information, and if they supplant traffic to the websites of our businesses (in particular, the Digital business within our Dotdash Meredith segment), we could experience decreased traffic and advertising revenues, which could adversely impact our business, financial condition and results of operations. In addition, GAI has the potential to generate** digital **content** ~~app stores, advertising networks~~ and **information** ~~social media platforms. The marketing, distribution~~ and **develop digital** ~~monetization of our~~ products and services **at a much greater scale** ~~depends on our ability to cultivate~~ and ~~maintain~~ **in a more** cost- effective ~~and~~ **manner relative to traditional efforts, which could result in increased competition. The use of GAI could lead to unintended consequences, including generating content that appears correct but is factually inaccurate, misleading or** otherwise ~~satisfactory~~ **flawed. Several jurisdictions worldwide have proposed or enacted laws, rules and** ~~relationships~~ ---- **regulations governing GAI, and compliance** with ~~search engines~~ **such laws** , **rules** ~~digital app stores, advertising networks~~ and **regulations** ~~social media platforms, in particular, those operated by Apple, Google, Microsoft, Facebook and Amazon. These platforms~~ could **be** ~~decide not to market and distribute some or all of our products and services, change their terms and conditions of use or advertising policies at any time (and without notice), favor their own products and services over our products and services and / or significantly increase their fees. While we expect to maintain cost~~ **costly** ~~- effective and~~ **. The failure to adopt or** otherwise ~~satisfactory relationships with~~ **adapt to evolving GAI capabilities could adversely affect our ability to compete generally, which could adversely affect our business, financial condition and results of operations. Lastly, to** ~~these~~ -- **the** ~~platforms~~ **extent GAI chatbots misappropriate or misuse our copyrighted content** , **the value of this content** ~~no assurances can be provided that we~~ will be **diminished** ~~able to do so~~ and our ~~inability~~ -- **ability** to **invest** ~~do so~~ in **new content will be adversely impacted, which** ~~the case of one or more of these platforms~~ could ~~have a material adverse~~ **adversely** ~~effect~~ **affect** ~~on~~ our business, financial condition and results of operations . In particular, as consumers increasingly...... results of operations could be adversely affected . Our success depends, in part, upon the continued migration of certain markets and industries online and the continued growth and acceptance of online products and services as effective alternatives to traditional offline products and services. Through our various businesses, we provide a variety of online products and services that continue to compete with their traditional offline counterparts. We believe that the continued growth and acceptance of online products and services generally will depend, to a large extent, on the continued growth in commercial use of the Internet (particularly abroad) and the continued migration of traditional offline markets and industries online. For example, the success of our Angi Inc. businesses and our Care. com business depends, in substantial part, on the continued migration of the home services and care- related services markets, respectively, online. If for any reason these markets do not migrate online as quickly as (or at lower levels than) we expect and consumers and service professionals (and subscribers and caregivers) continue, in large part, to rely on traditional offline efforts to connect with one another, our business, financial condition and results of operations could be adversely affected. Lastly, the success of our advertising- supported businesses also depends, in part, on their ability to compete for a share of available advertising expenditures as more traditional offline and emerging media companies continue to enter the online advertising market, ~~as well as on~~ the continued growth and acceptance of online advertising generally **and their ability to successfully adapt to changes in the overall digital advertising landscape (for example, in response to the phasing out (or blocking) of third- party cookies by web browsers and consumers increasingly choosing to use browsers that do not support third- party cookies)** . Any lack of growth in the market for online advertising **and / or our inability to successfully adapt to changes in the overall digital advertising landscape** could adversely affect our business, financial condition and results of operations. See also"- Our success depends, in part, on the ability of our Digital business to successfully expand the digital reach of our portfolio of publishing brands." Our success depends, in part, on our continued ability to develop and monetize versions of our products and services for mobile and other digital devices. As consumers increasingly access our products and services through mobile and other digital devices ~~(including through digital voice assistants)~~ , we will need to continue to devote significant time and resources to ensure that our products and services are accessible across these platforms (and multiple platforms generally). If we do not keep pace with evolving online, market and industry trends (including the introduction of new and enhanced digital devices and changes in the preferences and needs of consumers generally), offer new and / or enhanced products and services in response to such trends that resonate with consumers, monetize products and services for mobile and other digital devices as effectively as ~~its~~ traditional products and services and / or maintain related systems, technology and infrastructure in an efficient and cost- effective manner, our business, financial condition and results of operations could be adversely affected. In addition, the success of our mobile and other digital products and services depends on their interoperability with various third- party operating systems, technology, infrastructure and standards, over which we have no control. Any changes to any of these things that compromise the quality or functionality of our mobile and digital products and services could adversely affect their usage levels and / or our ability to attract consumers and advertisers, which could adversely affect our business, financial condition and results of operations. Advertising revenue represents a significant portion of our consolidated revenue. Accordingly, we are sensitive to general economic events and trends that adversely impact advertising spending levels. A significant portion of our consolidated revenue is attributable to digital and other advertising, primarily revenue from the businesses within our Dotdash Meredith and Search

~~financial reporting~~ segments. Accordingly, events and trends that put economic pressure on advertisers and consumers could continue to result in decreased advertising expenditures and related revenues generally, which would continue to adversely affect our business, financial condition and results of operations. For example, demand for advertising is highly dependent upon the strength of the economy in the United States, so any general economic downturn, recessionary concerns, rising interest rates and increased inflation, as well as any sudden disruption in business conditions, could adversely affect demand for advertising and consumer confidence, and in turn, our business, financial condition and results of operations. Also, as alternative forms of media and entertainment (relative to traditional forms of media) continue to grow, competition for advertising will continue to increase, which could adversely affect demand for (and the effectiveness of) advertising through our various platforms, which in turn could adversely affect our business, financial condition and results of operations. **In addition, the phasing out (or blocking) of third- party cookies by web browsers, as well as consumers increasingly choosing to use browsers that do not support third- party cookies, could also adversely affect our ability to sell advertising and the effectiveness of our marketing efforts at those of our businesses that rely on cookies as a meaningful part of their overall marketing strategy.** We intend to continue to focus on digital content and advertising across our portfolio of publishing brands, including the deployment of our playbook for building digital lifestyle brands across **Dotdash** Meredith brands. As a result, we intend to continue to increase our investment in our Digital business. If this focus and increased investment does not generate increased revenue from our Digital business and / or if we otherwise do not successfully execute this strategy generally and / or in a cost- effective manner, our business, financial condition and results of operations will be adversely affected. ~~distribute and monetize our products and services through search engines,digital app stores,advertising networks and social media platforms.The marketing,distribution and monetization of our products and services depends on our ability to cultivate and maintain cost- effective and otherwise satisfactory relationships with search engines,digital app stores,advertising networks and social media platforms,in particular,those operated by Apple,Google,Microsoft,Facebook and Amazon.These platforms could decide not to market and distribute some or all of our products and services,change their terms and conditions of use or advertising policies at any time (and without notice),favor their own products and services over our products and services and / or significantly increase their fees.While we expect to maintain cost- effective and otherwise satisfactory relationships with these platforms,no assurances can be provided that we will be able to do so and our inability to do so in the case of one or more of these platforms could have a material adverse effect on our business,financial condition and results of operations~~ .In particular,as consumers increasingly access our products and services through applications,we increasingly depend upon the Apple App Store,Google Play Store,Google' s Chrome Web Store,Microsoft Store and Amazon App Store to distribute our mobile **and desktop browser** applications.The operators of these stores have broad discretion to change their respective terms and conditions applicable to the distribution of our applications,including those relating to privacy and data collection **(for example,to require users to opt- in to sharing their devices' unique identifiers with providers of products and services,which allow them to recognize a given device and track related activity across applications and websites)** ,the amount of (and requirement to pay) certain fees associated with purchases facilitated by such stores through our applications,their ability to interpret their respective terms and conditions in ways that may limit,eliminate or otherwise interfere with our ability to distribute our applications through such stores,the features we may provide in our products and services,our ability to access information about our subscribers and users that they collect **,** and the manner in which we market in- app products.The operators of these stores could also make changes to their operating systems or payment services that could negatively affect us.No assurances can be provided that the operators of these stores will not interpret their respective terms and conditions in the manner described above and to the extent any of them do so,our business,financial condition and results of operations could be **adversely affected.While some of our mobile applications are generally free to download from these stores,many of them are subscription- based.While we determine the prices at which these subscriptions are sold,currently,all related purchases must be processed through the in- app payment systems provided by these stores,for which we pay these stores a meaningful share of the related revenue we receive.Given the increasing distribution of our mobile applications through digital app stores and strict in- app payment system requirements,we may need to offset increased digital app store fees by decreasing traditional marketing expenditures as a percentage of revenue,increasing user volume or monetization per user or engaging in other efforts to increase revenue or decrease costs generally,or our business,financial condition and results of operations could be adversely affected** Revenue from our Print business is declining. Our Print business generates revenue from various channels, the largest of which are the sale of print magazine subscriptions to consumers and magazine advertising, followed by newsstand sales. The profitability of our print magazine publications (and in turn, our Print business) depends, in substantial part, on our ability to both maintain a profitable audience and sell advertising based on that audience. The industry in which our Print business operates is extremely competitive and such business will continue to face increasing competition from alternative forms of media and entertainment (primarily digital channels). As a result, in 2022 we eliminated the print component of certain of our publishing brands and reduced the circulation of others, which together with continuing trends in the print publishing industry, negatively impacted (and continues to negatively impact) our Print revenue. We continue to expect Print revenue from print magazine subscriptions, advertisers and newsstand sales to decline over the next few years. If we do not offset the decrease in Print magazine subscriptions by increasing subscription prices, our revenue may decline ~~more than we expect~~ . And if we do not offset reductions in revenue with the implementation of cost- cutting measures and continue to proactively manage this decline, our business, financial condition and results of operations could be adversely affected. Increases in paper and postage prices are difficult to predict and control. In the case of our Print business, paper and postage represent a significant component of costs. Paper is a commodity and its price can be subject to significant volatility. Paper prices ~~increased during 2022 and~~ reached all time- highs in early 2023. We rely on multiple third parties to supply us with paper for our print magazines, the largest of which are located in the European Union. Our paper supply contracts currently provide for price adjustments based on prevailing market prices and historically, we have been able to realize favorable paper pricing through volume discounts. Our paper suppliers and / or the paper mills upon which they rely for inventory may experience events outside of their and our control that result in supply chain disruptions (for example, labor force disruptions (strikes and union negotiations) and weather, among other events). The United States Postal ~~Services~~ - **Service** (the " USPS ") distributes substantially all ~~of~~ our subscription magazines and many of our marketing materials. Postal rates are dependent on the operating efficiency of the USPS and on legislative mandates imposed upon the USPS. Although we work with others in the industry and through trade organizations to encourage the USPS to implement efficiencies that will minimize **postal** rate increases, we ~~cannot predict~~ **have no control over such matters. The current USPS is committed to increasing postal rates, which combined** with ~~certainty~~ the ~~magnitude~~ **impact** of ~~future price changes for paper and postage. Volatility~~ **volatility** in paper prices ~~,~~ **and** paper supply chain disruptions **,** ~~and / or USPS rate increases~~ could adversely affect our business, financial condition and results of operations. We rely on a single supplier to print our magazines and primarily rely on two wholesalers to distribute our magazines through newsstands. In the case of our Print business, we produce print magazines in the United States and rely on one supplier (the only one capable of producing such print magazines) to do so. We also rely primarily on two wholesalers, each of which is the only distributor of scale in its respective geographical regions, to distribute the substantial majority of our print magazines to newsstands in the United States. If for any reason, our one supplier fails to deliver our print magazines and / or one or both of the two wholesalers cannot distribute our print magazines to newsstands, our business, financial condition and results of operations could be adversely affected. In this case, we may not be able to move the printing of our print magazines to an alternative supplier and / or the distribution of our print magazines to alternative wholesalers, particularly given the contracting nature of the print magazine market generally (and shrinking wholesaler options). And even if we were to find alternative vendors, the economic and other terms of the arrangements and the quality of the services provided could be inferior relative to the arrangements with our current vendors and / or we may not be able to replace lost revenues. Any transitions in this regard would be costly and time consuming and could adversely affect our business, financial condition and results of operations. Our pension plan obligations could increase. In connection with the acquisition of Meredith Holdings Corp. in December 2021, our Dotdash Meredith business assumed certain pension plan obligations. The two largest of these pension plans are funded plans in the United Kingdom and the United States, both of which are overfunded on a U. S. GAAP basis (see " Item 8 — Financial Statements and Supplementary Data — Note 13 — Pension and Postretirement Benefit Plans "). The pension plan in the United Kingdom relates to a business that was sold by Meredith **Corporation** ~~Holdings Corp.~~ prior to ~~December 2021~~ **the acquisition** , and as of the date of this annual report, there are no active participants in such plan accruing benefits. **This plan has entered into annuity contracts designed to provide payments equal to all future designated contractual benefit payments to covered participants until the annuity contracts are settled. The value of these annuity contracts and the liabilities with respect to participants are expected to match (in other words, the full benefits have been annuitized).** In addition, **effective December 31** ~~as of the date of this annual report~~ , **2022,** the **qualified** pension plan in the United States ~~has been~~ terminated and **from and after such date,** no participants **accrued** ~~are accruing~~ additional service credits under ~~the~~ **that** plan **. Following the receipt of a favorable determination letter regarding the termination of the U. S. plan from the Internal Revenue Service, each plan participant will elect to have their benefits satisfied by way of a lump sum cash payment or the purchase of an annuity on the relevant participant' s behalf** . While the Company does not expect to have to make any contributions to these plans, that could change based upon future events. Our success depends, in part, on the ability of Angi Inc. and Care. com to establish and maintain relationships with quality and trustworthy service professionals and caregivers. We must continue to attract, retain and grow the number of skilled and reliable service professionals who can provide services across Angi Inc. platforms and caregivers who can provide care- related services through the Care. com platform. If we do not offer innovative products and services that resonate with consumers ~~and~~ **,** service professionals **,** ~~(and~~ subscribers and caregivers ~~)~~ generally, as well as provide service professionals and caregivers with an attractive return on their marketing and advertising investments, the number of service professionals and caregivers affiliated with Angi Inc. and Care. com platforms, respectively, would decrease. Any such ~~decrease~~ **decreases** would result in smaller and less diverse networks and directories of service professionals and caregivers, and in turn, decreases in service requests, pre- priced bookings and directory searches, as well as subscriber requests for caregivers, which could adversely impact our business, financial condition and results of operations. In addition to valuing the skill and reliability of service professionals and caregivers, consumers and families want to work with service professionals and caregivers whom they ~~can~~ trust to work in their homes and with their family members and with whom they ~~can~~ feel safe. While there are screening processes and certain other safety- related measures in place at these businesses (which generally include certain ~~,~~ limited background checks) intended to prevent unsuitable service professionals and caregivers from joining and remaining on our various platforms, these processes have limitations and, even with these safety measures, no assurances can be provided regarding the future behavior of any service provider or caregiver ~~on~~ **affiliated with** our platforms. Inappropriate and / or unlawful **service professional and / or caregiver** behavior ~~on the part of service professionals and caregivers~~ generally (particularly ~~any such~~ behavior that compromises their trustworthiness and / or of the safety of consumers and families) could result in decreases in service requests and subscriber requests for caregivers and related care services, bad publicity and related damage to our reputation, brands and brand- building efforts and / or actions by governmental and regulatory authorities, criminal proceedings and / or litigation. The occurrence or any of these events could, in turn, adversely affect our business, financial condition and results of operations. ~~The Angi Inc. brand integration initiative may continue to involve substantial costs, including as a result of a continued negative impact on organic search placement. In March 2021, Angi Inc. updated one of its leading websites and brands, Angie' s List, to Angi, and since then, has concentrated its marketing investment on the Angi brand in order to focus its marketing, sales and branding efforts on a single brand. To date, Angi Inc. has incurred (and we expect will continue to incur) substantial costs as a result of this brand integration initiative and the Angi brand may not be able to achieve or maintain brand name recognition or status that is comparable to the recognition and status previously enjoyed by Angie' s List. Angi Inc. relies heavily on free (or organic) search results from search engine~~

~~optimization and paid search engine marketing efforts to drive traffic to its platforms. The brand integration initiative initially adversely affected the placement and ranking of Angi Inc. websites, particularly Angi. com, in organic search results as Angi does not have the same domain history as Angie' s List. Organic search results have continued to decline year- over- year and remain below pre- March 2021 levels. In addition, the shift of marketing support to the Angi brand (away from the HomeAdvisor brand) continues to negatively affect (and we expect that it will continue to negatively affect) the efficiency of Angi' s Inc.' s search engine marketing efforts. The continuing occurrence of any or all of these events and trends could adversely affect our business, financial condition and results of operations.~~ Our success depends, in part, on the ability of Angi Inc. **to continue** to expand pre- priced offerings, while balancing the overall mix of service requests and directory services on Angi Inc. platforms generally. The Services business within our Angi Inc. ~~financial reporting~~ segment provides a pre- priced offering, pursuant to which consumers can request services through Services platforms and pay for such services on the applicable platform directly. These service requests are then fulfilled by independently established home services providers engaged in a trade, occupation and / or business that customarily provide such services. Increases in pre- priced offerings (which we expect to be the case over time) could reduce the levels of service professional participation at Angi Inc.' s other businesses, and in turn, adversely affect our business, financial condition and results of operations. **Changes to certain requirements applicable to certain communications with consumers may adversely impact the ability of our Angi Inc. businesses to generate leads for service professionals. In connection with the marketing of our products and services and efforts to generate leads for service professionals, the businesses within our Angi Inc. segment have historically relied on their ability (and the ability of service professionals) to communicate with consumers via phone and text message, in some cases, using automated technology, as have third- party affiliates through which Angi Inc. businesses market their products and services. As discussed in" Item 1- Business- Description of IAC Businesses- Government Regulation," in an effort to reduce robocalls and robotexts, there has been an increased effort by U. S. regulatory authorities and telecommunications carriers to ensure that consumers opt in to receiving certain marketing calls and text messages from businesses. For example, the FCC has adopted an amendment to the express consent requirements of the TCPA to require a 1: 1 consent for a business to contact a consumer via phone or text message using automated technology. This means that each business that wishes to contact a consumer for marketing purposes via phone or text message using automated technology must receive its own specific express written consent from the consumer. While the amendment is not yet finalized, as proposed, in the case of our Angi Inc. businesses, it will require revisions to some processes and certain aspects of product experience, as well as to third- party affiliate arrangements. These revisions could result in increased expenses. Further, the increased disclosures and consent requirements under the proposed rule could adversely impact consumer engagement levels and consumer conversion in the case of Angi Inc. products and services, which would decrease leads generated on Angi Inc. platforms, as well as the ability of Angi Inc. businesses to obtain leads through third- party affiliate arrangements, which, in turn, could adversely affect our business, financial condition and results of operations. Independent of the proposed TCPA amendment, phone carriers increasingly dictate rules for obtaining consent from consumers to receive text messages. This may reduce the number of consumers who opt in to receiving both marketing and transactional text messages from Angi Inc. businesses and service professionals, which could further adversely impact the ability of Angi Inc. businesses to generate leads for service professionals and, in turn, our business, financial condition and results of operations.** Our success depends, in part, on our ability to access, collect and use personal data about our users and subscribers. We depend on search engines, digital app stores and social media platforms, in particular, those operated by Google, Apple and Facebook, to market, distribute and monetize our products and services. Our users and subscribers engage with these platforms directly, and in the case of digital app stores, are generally subject to requirements regarding the use of their payment systems for various transactions. As a result, these platforms generally receive personal data about our users and subscribers that we would otherwise receive if we transacted with our users and subscribers directly. Certain of these platforms have restricted (and continue to restrict) our access to personal data about our users and subscribers obtained through their platforms. In addition, the privacy and data collection policies of certain platforms require users to opt- in to sharing their devices' unique identifiers with our businesses, which allow them to recognize a given device and track related activity across applications and websites, primarily for marketing purposes. If these platforms continue to limit, eliminate or otherwise interfere with our ability to access, collect and use personal data about our users and subscribers, our ability to identify, communicate with and market to a meaningful portion of our user and subscriber bases may be adversely impacted. If so, our customer relationship management efforts, our ability to identify, target and reach new segments of our user and subscriber bases and the population generally, the efficiency of our paid marketing efforts, the rates we are able to charge advertisers seeking to reach users and subscribers of our various properties and our ability to develop and implement safety features, policies and procedures for certain of our products and services could be adversely affected. We cannot assure you that the search engines, digital app stores and social media platforms upon which we rely will not continue to (or continue to increasingly) limit, eliminate or otherwise interfere with our ability to access, collect and use personal data about our users and subscribers **or that any future platforms upon which we may rely will not do the same** . To the extent that any or all of them do so, our business, financial condition and results of operations could be adversely affected. Our ability to engage directly with our users, subscribers, consumers, service professionals and caregivers ~~directly~~ on a timely basis is critical to our success. As consumers increasingly communicate via mobile and other digital devices and messaging and social media apps, email usage (particularly among younger consumers) has declined and we expect this trend to continue. In addition, deliverability and other restrictions could limit or prevent our ability to send emails to users, subscribers, consumers, service professionals and caregivers **. Recently, email providers have tightened their spam thresholds. Exceeding these more stringent spam thresholds could result in some or all of the emails from our various businesses being delayed or blocked, and therefore less likely to be opened** . A continued and significant erosion in our ability to engage with users, subscribers, consumers, service professionals and caregivers via email could adversely impact the user experience, engagement levels and conversion rates, which could adversely affect our business, financial condition and results of operations. We cannot assure you that any alternative means of communication (for example, push notifications and text messaging) will be as effective as email has been historically. Mr. Diller, certain members of his family and Mr. Levin are able to exercise significant influence over the composition of IAC' s ~~Board~~ **board** of ~~Directors~~ **directors** , matters subject to stockholder approval and IAC' s operations. As of February ~~10~~ **9** , ~~2023~~ **2024** , Mr. Diller, his spouse (Diane von Furstenberg) and his stepson (Alexander von Furstenberg) collectively held (directly and through certain trusts) shares of ~~IAC~~ Class B common stock and ~~IAC~~ common stock that represented approximately ~~41~~ **42** . ~~3~~ **2** % of the total outstanding voting power of IAC (based on the number of shares of ~~IAC common and IAC~~ Class B **and** common stock outstanding on February ~~10~~ **9** , ~~2023~~ **2024**). As a result of the IAC securities held by these individuals, **as of the date of this report,** such individuals are **(** and ~~will~~ **are expected to continue to** be **)** , collectively, in a position to influence (subject to IAC' s organizational documents and Delaware law) the composition of IAC' s board of directors and the outcome of corporate actions requiring ~~shareholder~~ **stockholder** approval (such as mergers, business combinations and dispositions of assets, among other corporate transactions). These ~~shares~~ **securities** are subject to ~~a~~ **the** ~~voting~~ **Voting** ~~agreement~~ **Agreement** ~~with Mr. Levin, IAC' s Chief Executive Officer. As~~ **described under" Item 1- Business- Equity Ownership and Vote" and as** a result of **such** ~~the Voting Agreement~~ **agreement** , **as of the date of this report** Mr. Levin is ~~currently~~ **(and is expected to continue to be)** in a position, subject to IAC' s organizational documents and Delaware law, to influence his election to IAC' s board of directors and the outcome of Contingent Matters (as defined in the Voting Agreement). This concentration of investment and voting power could discourage others from initiating a potential merger, takeover or other change of control transaction that may otherwise be beneficial to IAC and its ~~shareholders~~ **stockholders** , which could adversely affect the market price of IAC securities. In addition, all or a portion of the shares of ~~IAC~~ Class B common stock **collectively held by Mr. Diller, his spouse and stepson** could be sold to a third party, which could result in the purchaser obtaining significant influence over IAC, the composition of IAC' s board of directors, matters subject to stockholder approval and IAC' s operations, without consideration being paid to holders of shares of ~~IAC~~ **our** common stock, and without holders of shares of ~~IAC~~ **our** common stock having a right to consent to the identity of such purchaser. Pursuant to the Voting Agreement, if any of the holders of ~~the IAC~~ Class B common stock were to determine to sell shares of ~~IAC~~ Class B common stock to a person other than Mr. Diller, his family members or certain entities controlled by such persons, they have agreed that they will discuss ~~with Mr. Levin~~ selling such shares to ~~him~~ **Mr. Levin** before selling **them** to any other party. Risk Factors Related to Our Liquidity, Indebtedness and Dilution Current and future indebtedness could affect our ability to operate our business, which could have a material adverse effect on our business, financial condition and results of operations. On December 1, 2021, Dotdash Meredith, Inc. entered into the Dotdash Meredith Credit Agreement, which provides for: (i) a five year $ 350 million Dotdash Meredith Term Loan A, (ii) a seven- year Dotdash Meredith $ 1. 25 billion Term Loan B and (iii) a five year $ 150 million Dotdash Meredith Revolving Facility. As of December 31, ~~2022~~ **2023** , we had total debt outstanding of approximately $ 2. ~~1~~ **0** billion, consisting of $ ~~350~~ **315. 0** million and $ 1. ~~25~~ **23** billion under the Dotdash Meredith Term Loan A and Dotdash Meredith Term Loan B, respectively, and $ 500 **. 0** million of ANGI Group Senior Notes. The Dotdash Meredith Credit Agreement contains a number of covenants that restrict the ability of Dotdash Meredith and certain of its subsidiaries to take specified actions, including, among other things (and subject to certain exceptions): (i) creating liens, (ii) incurring indebtedness, (iii) making investments and acquisitions, (iv) engaging in mergers, dissolutions and other fundamental changes, (v) making dispositions, (vi) making restricted payments (including dividends and certain prepayments of junior debt **, if any**), (vii) consummating transactions with affiliates, (viii) entering into sale- leaseback transactions, (ix) placing restrictions on distributions from subsidiaries, and (x) changing its fiscal year. The Dotdash Meredith Credit Agreement also contains customary affirmative covenants and events of default. For a description of certain restrictions in effect following the test period ended December 31, ~~2022~~ **2023** , see " Item 7 ~~-~~ **—** Management' s Discussion and Analysis of Financial Condition and Results of Operations ~~-~~ **—** Financial Position, Liquidity and Capital Resources ~~-~~ **—** Liquidity and Capital Resources ~~-~~ **—** Liquidity Assessment. " The obligations under the Dotdash Meredith Credit Agreement are guaranteed by certain of Dotdash Meredith' s wholly- owned subsidiaries and are secured by substantially all of the assets of Dotdash Meredith and certain of its subsidiaries. Neither we nor any of our subsidiaries (other than Dotdash Meredith and its subsidiaries in the case of obligations under the Dotdash Meredith Credit Agreement) guarantee any indebtedness of Dotdash Meredith nor are they subject to any of the covenants related to such indebtedness. The terms of the Dotdash Meredith indebtedness could: • limit our ability to obtain financings and the ability Dotdash Meredith to obtain additional financings to fund working capital needs, acquisitions, capital expenditures or debt service requirements or for other purposes; • limit our ability to use operating cash flow in other areas of our businesses in the event that we need to dedicate a substantial portion of these funds to service Dotdash Meredith indebtedness; • limit our ability and the ability of Dotdash Meredith to compete with other companies who are not as highly leveraged; • restrict us or Dotdash Meredith from making strategic acquisitions, developing properties or exploiting business opportunities; • restrict the way in which we or Dotdash Meredith conduct business; • expose us to potential events of default, which if not cured or waived, could have a material adverse effect on our business, financial condition and operating results and that of Dotdash Meredith; • increase our and Dotdash Meredith' s vulnerability to a downturn in general economic conditions or in pricing of our various products and services; and • limit our ability and the ability of Dotdash Meredith to react to changing market conditions in the various industries in which we do business. We may incur, and subject to restrictions in the Dotdash Meredith Credit Agreement, Dotdash Meredith may incur, additional, indebtedness. Any additional indebtedness incurred by us (or Dotdash Meredith in compliance with applicable restrictions) that is significant could increase the risks described above. For additional information regarding the Dotdash Meredith Credit Agreement and indebtedness outstanding thereunder, see " Item 7 ~~-~~ **—** Management' s Discussion and Analysis of Financial Condition and Results of Operations ~~-~~ **—** Financial Position, Liquidity and Capital Resources. " We may not be able to generate sufficient cash to service all of our indebtedness. The ability of

Dotdash Meredith and Angi Inc. to satisfy scheduled debt obligations under their respective debt agreements will depend upon, among other things: • their future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control; • their future ability to incur indebtedness; and • in the case of Dotdash Meredith only, the future ability to borrow under the Dotdash Meredith Revolving Facility, which will depend on, among other things, the ability of Dotdash Meredith to comply with the covenants governing its existing indebtedness. Neither Dotdash Meredith nor Angi Inc. may be able to generate sufficient cash flow from their respective operations (and / or, in the case of Dotdash Meredith only, borrow under the Dotdash Meredith Revolving Facility) in amounts sufficient to meet their respective scheduled debt obligations. See also "- We may not freely access the cash of Dotdash Meredith and Angi Inc. and its subsidiaries " below. If so, they could be forced to reduce or delay capital expenditures, sell assets or seek additional capital (in the case of Dotdash Meredith only, in a manner that complies with the terms (including certain restrictions and limitations) of the Dotdash Meredith Credit Agreement). If these efforts do not generate sufficient funds to meet scheduled debt obligations, they would need to seek additional financing and / or negotiate with lenders to restructure or refinance their respective outstanding indebtedness. Their ability to do so would depend on the condition of the capital markets and their respective financial condition at such time. Any such financing, restructuring or refinancing could be on less favorable terms than those of their current respective indebtedness (and if Dotdash Meredith is the borrower, would need to comply with the terms (including certain restrictions and limitations) of such agreement). Variable rate indebtedness **and interest rate swaps** ~~subjects~~ **subject** us to interest rate risk **and counterparty risk, respectively** . As of December 31, ~~2022~~ **2023** , we had total debt outstanding of approximately $ 2. ~~1~~ **0** billion, consisting of $ ~~350~~ **315. 0** million and $ 1. ~~25~~ **23** billion under the Dotdash Meredith Term Loan A and Dotdash Meredith Term Loan B, respectively, which bear interest at variable rates, and $ 500 **. 0** million in aggregate principal amount of ANGI Group Senior Notes, which bear interest at a fixed rate. As of that date, we had borrowing availability of $ 150 million under the Dotdash Meredith Revolving Facility. Borrowings under the Dotdash Meredith Term Loans A and B are, and any borrowings under the Dotdash Meredith Revolving Facility will be, at variable interest rates, which exposes us to interest rate risk. **To hedge a portion of the interest rate risk in respect of this indebtedness, in March 2023, Dotdash Meredith entered into interest rate swaps on the Dotdash Meredith Term Loan B for a total notional amount of $ 350 million with a maturity date of April 1, 2027, which expose Dotdash Meredith to counterparty credit risk based on the potential default of one or more counterparties.** For details regarding: (i) the variable interest rates applicable to indebtedness outstanding under the Dotdash Meredith Credit Agreement as of December 31, ~~2022~~ **2023** and how certain increases and decreases in those rates would affect related interest expense as of December 31, ~~2022~~ **2023** and generally, ~~and~~ (ii **) the interest rate swaps on the Dotdash Meredith Term Loan B and (iii**) the fixed interest rates applicable to the ANGI Group Senior Notes and how certain increases and decreases in market rates relative to those ~~rate~~ **rates** would affect the fair value of this indebtedness, see " Item 7A ~~-~~ **—** Quantitative and Qualitative Disclosures About Market Risk. " We may not freely access the cash of Dotdash Meredith and / or Angi Inc. and their respective subsidiaries. Our potential sources of cash include our available cash balances, net cash from the operating activities of certain of our subsidiaries and proceeds from asset sales, including marketable securities. While the ability of our operating subsidiaries to pay dividends or make other payments or advances to us depends on their individual operating results and applicable statutory, regulatory or contractual restrictions generally, in the case of Dotdash Meredith, the terms of the Dotdash Meredith Credit Agreement limit the ability of Dotdash Meredith to pay dividends or make distributions, loans or advances to stockholders (including IAC) in certain circumstances. **See" Item 8 — Financial Statements and Supplementary Data — Note 7 — Long- Term Debt."** In addition, because Angi Inc. is a separate and distinct publicly traded legal entity, Angi Inc. has no obligation to provide us with funds. You may experience dilution with respect to your investment in IAC, and IAC may experience dilution with respect to its investment in Angi Inc., as a result of compensatory equity awards. IAC has issued various compensatory equity awards, including stock options, shares of restricted stock, restricted stock ~~unit~~ **units** ~~awards~~ and stock appreciation rights denominated in shares of IAC common stock, as well as in equity of certain of its consolidated subsidiaries, including Angi Inc. and certain of its subsidiaries. The issuance of shares of IAC common stock in settlement of these equity awards could dilute your ownership interest in IAC. Angi Inc. compensatory equity awards that are settled in shares of Class A common stock of Angi Inc. could dilute IAC' s ownership interest in Angi Inc. The dilution of IAC' s ownership stake in Angi Inc. could impact its ability, among other things, to maintain Angi Inc. as part of its consolidated tax group for U. S. federal income tax purposes, to effect a tax-free distribution of its Angi Inc. stake to its stockholders or to maintain control of Angi Inc. As IAC generally has the right to maintain its levels of ownership in Angi Inc. to the extent Angi Inc. issues additional shares of its capital stock in the future pursuant to an investor rights agreement, IAC does not currently intend to allow any of the foregoing to occur. With respect to awards denominated in shares of IAC' s non- publicly traded subsidiaries, IAC estimates the dilutive impact of those awards based on the estimated fair value of those subsidiaries. Those estimates may change from time to time, and the fair value determined in connection with vesting and liquidity events could lead to more or less dilution than reflected in IAC' s diluted earnings per share calculation. General Risk Factors Our businesses operate in especially competitive and evolving industries. The industries in which our brands and businesses operate are competitive, with a consistent and growing stream of new products and entrants. Some of our competitors may enjoy better competitive positions in certain geographical areas, user demographics and / or other key areas that we currently serve or may serve in the future. Generally, our brands and businesses compete with search engine providers and online marketplaces that can market their products and services online in a more prominent and cost- effective manner than we can. We also generally compete with social media platforms with access to large existing pools of potential users and their personal information, which means these platforms can drive visitors to their products and services, as well as better tailor products and service to individual users, at little to no cost relative to those involved with our efforts. Any of these advantages could enable our competitors to offer products and services that are more appealing to consumers than our products and services, respond more quickly and / or cost effectively than we do to evolving market opportunities and trends and / or display their own integrated or related products and services in a more prominent manner than our products and services in search results, any or all of which could adversely affect our business, financial condition and results of operations. In addition, costs to switch among products and services are generally low to non- existent given that consumers generally have a propensity to try new products and services (and use multiple products and services simultaneously). As a result, we expect the continued emergence of new products and services, competitors and business models in the various industries in which our brands and businesses operate. Our inability to continue to innovate and compete effectively against new products and services, competitors and business models could result in decreases in the size and levels of engagement of our various user and subscriber bases, which could adversely affect our business, financial condition and results of operations. We are sensitive to general economic events and trends, particularly those that adversely impact consumer confidence and spending behavior, as well as **general** geopolitical ~~conflicts~~ **risks** . Events and trends that result in decreased levels of consumer confidence and discretionary spending (for example, a general economic downturn, recessionary concerns, ~~rising~~ **high** interest rates and increased inflation, as well as any sudden disruption in business conditions) could adversely affect our business, financial condition and results of operations. ~~Our~~ **The businesses in our** Angi Inc. ~~businesses~~ **segment** are particularly sensitive to events and trends that could result in consumers delaying or foregoing home services projects (including difficulties obtaining supplies for and financing such projects) and service professionals being less likely to pay for Angi Inc.' s various products and services. Similarly, our Care. com business is particularly sensitive to events and trends that could adversely impact the ability of families to pay for caregiver services. Any such events or trends could adversely impact the number and quality of service professionals and caregivers affiliated with these businesses and / or could adversely impact the reach of (and breadth of services offered through) these businesses, any or all of which could adversely affect our business, financial condition and results of operations. Lastly, ~~in the case of our Mosaic Group business, most of our marketing and customer service employees and related resources are located in Belarus. Given~~ **given** the **adverse financial** ~~ongoing geopolitical conflict involving Russia~~ and **operational impact we** ~~the Ukraine, our Mosaic Group business could experience~~ **experienced** ~~general disruption in~~ **as a result of the coronavirus and measures designed to contain** its **spread** ~~day- to- day operations and the execution of its long term strategic goals~~ , **any future outbreak of a widespread** ~~employee turnover and performance issues in Belarus due to~~ health **epidemic** ~~and safety concerns and related increases in relocation requests and expenses, any~~ or **pandemic** ~~all of which~~ could adversely ~~affect~~ **impact** our **ability to conduct ordinary course** business **activities** ~~, financial condition~~ and ~~results of~~ **employee productivity and increase** ~~operations~~ **operating costs** . Our success depends, in part, on our ability to build, maintain and / or enhance our various brands. Through our various businesses, we own and operate a number of widely known consumer brands with strong brand appeal and recognition within their respective markets and industries, as well as ~~a number of~~ emerging brands that we are in the process of building. We believe that our success depends, in large part, on our continued ability to maintain and enhance our established brands, as well as build awareness of (and loyalty to) our emerging brands. Events that could adversely impact our brands and brand- building efforts include (among others): product and service quality concerns, consumer complaints or lawsuits, lack of awareness of the policies of our various businesses and / or how they are applied in practice, our failure to respond to consumer, user, service professional and caregiver feedback, ineffective advertising, inappropriate and / or unlawful actions taken by consumers, users, service professionals and caregivers, actions taken by governmental or regulatory authorities, data protection and security breaches and related bad publicity. The occurrence or any of these events could, in turn, adversely affect our business, financial condition and results of operations. ~~See also " — Risks Relating to Our Business, Operations and Ownership — The Angi Inc. brand integration initiative may continue to involve substantial costs, including as a result of a continued negative impact on organic search placement. " The global outbreak of COVID- 19 and other similar outbreaks could continue to adversely affect our business, financial condition and results of operations. The impact on the Company from the coronavirus (" COVID- 19") and the measures designed to contain its spread continues to impact the comparability of the Company' s year- over- year financial performance. As previously disclosed, the impact of COVID- 19 in 2020 on our Angi Inc. businesses initially resulted in a decline in demand for service requests, driven primarily by decreases in demand in certain categories of jobs (particularly discretionary indoor projects). While these businesses experienced a rebound in service requests from mid- 2020 through early 2021, service requests did start to decline in May 2021 and continued to decline during 2022 due, in part, to COVID- 19 measures that were more widely in place in prior periods. While the ability of these businesses to monetize service requests rebounded modestly in the second half of 2021 and the first half of 2022, that improved monetization rate trend plateaued in the third quarter of 2022 and is now in line with monetization rates experienced pre- COVID- 19. No assurances can be provided that our Angi Inc. businesses will be able to increase service requests and continue to improve monetization rates, or that service professionals' businesses (and related revenue and profitability) will not be adversely impacted in the future. In addition, certain businesses within our Dotdash Meredith financial reporting segment experienced decreases in digital advertising and / or performance marketing revenue in the year ended December 31, 2022 compared to the prior year, due (in part) to lower traffic compared to prior year COVID- 19 traffic highs. See " Item 7 — Management' s Discussion and Analysis of Financial Condition and Results of Operations for IAC — Overview — Consolidated and Combined Results. " Any future outbreak of a widespread health epidemic or pandemic (or the continuing outbreak of COVID- 19) and measures designed to contain its spread could adversely impact our ability to conduct ordinary course business activities and employee productivity and increase operating costs. Moreover, we may also experience business disruption if the ordinary course operations of our contractors, vendors and / or business partners are adversely affected. Any of these measures could adversely affect our business, financial condition and results of operations. The extent to which developments related to any future widespread health epidemic or pandemic (or the continuing COVID- 19 pandemic) and measures designed to curb its spread could impact (or continue to impact) the Company' s business, financial condition and results of operations will depend on future developments, all of which are highly uncertain and many of which are beyond the Company' s control.~~ We may not be able to protect our systems, technology and infrastructure from ~~cyberattacks and~~

~~cyberattacks~~ **cybersecurity incidents or cybersecurity incidents** experienced by third parties ~~may~~ **could** adversely affect us. We are regularly subjected to attacks by ~~cyber criminals~~ **threat actors** through the use of botnets, malware or other destructive or disruptive software, distributed denial of service attacks, phishing ~~,~~ **and** attempts to misappropriate user information and account login credentials and **intercept payments intended for legitimate third parties, among** other similar malicious activities. The incidence of events of this nature (or any combination thereof) is on the rise worldwide. ~~While we continuously~~ **Our efforts to** develop and maintain systems, processes and procedures designed to detect and prevent events of this nature from impacting our systems, technology, infrastructure, products, services **, payment processes and procedures** and users ~~, and have invested (and continue to invest) heavily in these efforts and related personnel and training and deploy data minimization strategies (where appropriate), these efforts~~ are costly and require ongoing monitoring and updating as technologies change and efforts to overcome preventative security measures become more sophisticated. ~~Despite~~ **There can be no assurance that** ~~these~~ -- **the** ~~efforts, some of our~~ systems **we** have ~~experienced past~~ **designed to prevent or limit the effects of** ~~security~~ **cybersecurity** incidents **will be sufficient to prevent or detect material consequences arising from such incidents** , ~~none of~~ which ~~had~~ **could have** a material adverse effect on our ~~business~~ **systems if such incidents do occur. Despite these efforts** , ~~financial condition and results of operations, and~~ we could experience significant or material **cybersecurity incidents** ~~events of this nature~~ in the future **, which could adversely affect our business, financial condition and results of operations** . Any **cybersecurity incident or other similar** event ~~of this nature~~ that we experience could damage our systems, technology and infrastructure ~~and /~~ or those of our users, prevent us from providing our products and services, compromise the integrity of our products and services, damage our reputation, erode our brands ~~and /~~ or be costly to remedy, as well as subject us to investigations by regulatory authorities, fines ~~and /~~ or litigation that could result in liability to third parties. Even if we do not experience such events ~~firsthand~~ **directly** , the impact of any such events experienced by third parties upon which we rely and with which we contract for various products and services could have a similar effect. **Cybersecurity incidents or other similar** ~~No assurances can be provided that we will not experience future~~ events ~~involving~~ **experienced by** third **-** party service providers ~~that~~ could adversely affect our business, financial condition and results of operations ~~in~~ **. While we maintain** a **cyber insurance policy to help manage, in part, costs associated with** significant ~~or material manner. We~~ **cybersecurity incidents that may occur, it** may not ~~have~~ **be** adequate ~~insurance coverage~~ to compensate for losses resulting from any **such** ~~of these~~ events **or we may not be able to secure such coverage on commercially reasonable terms in the future** . If we (or any third party with which we do business or **on which we** otherwise rely upon) experience (s) an event of this nature, our business, financial condition and results of operations could be adversely affected. If personal, confidential or sensitive user information is breached or otherwise accessed by unauthorized persons, it may be costly to mitigate and our reputation could be harmed. We receive, process, store and transmit a significant amount of personal, confidential ~~and /~~ or sensitive user and subscriber information and, in the case of certain of our products and services, enable users and subscribers to share their personal information with each other. ~~While we continuously~~ **Our efforts to** develop and maintain systems designed to protect the security, integrity and confidentiality of this information ~~(~~ **may not prevent inadvertent or unauthorized use or disclosure,** and ~~only engage~~ third parties **may** ~~to store this information who do the same), we cannot guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties will not~~ gain unauthorized access to this information. When such events occur, we may not be able to remedy them, we may be required by law to notify regulators and impacted individuals and it may be costly to mitigate the impact of such events and to develop and implement protections to prevent future events of this nature from occurring. When breaches of security (ours or that of any third party that we engage to store such information) occur, we could face governmental enforcement actions, significant fines, litigation (including consumer class actions) and the reputation of our brands and business could be harmed, any or all of which could adversely affect our business, financial condition and results of operations. While we **maintain a cyber insurance policy to help manage, in part, costs associated with significant cybersecurity incidents that** may ~~have insurance coverage~~ **occur, it may not be adequate to compensate** for **losses resulting from** ~~certain of these matters,~~ any such ~~losses~~ **events or we** may ~~exceed or~~ not be **able to secure such** ~~covered -~~ **coverage** ~~by insurance~~ **on commercially reasonable terms in the future** . In addition, if any of the search engines, digital app stores or social media platforms through which we market, distribute and monetize our products and services were to experience a breach, third parties could gain unauthorized access to personal data about our users and subscribers, which could indirectly harm the reputation of our brands and business and, in turn, adversely affect our business, financial condition and results of operations. The processing, storage, use and disclosure of personal data could give rise to liabilities and increased costs. We receive, transmit and store a large volume of personal information and other user and subscriber data in connection with the processing of search queries, the provision of online products and services generally and the display of advertising on our various properties. The manner in which we share, store, use, disclose and protect this information is determined by the respective privacy and data security policies of our various businesses, as well as federal, state and foreign laws and regulations and evolving industry standards and practices, which are changing, and in some cases, inconsistent and conflicting and subject to differing interpretations. In addition, new laws, regulations and industry standards and practices of this nature are proposed and adopted from time to time. For a description of laws, regulations and rules concerning the processing, storage and use of disclosure of personal data, see " Item 1 — Business — Description of IAC Businesses — Government Regulation. " ~~While we believe that we comply~~ **We may be subject to claims of non- compliance** with applicable privacy and data protection ~~policies,~~ laws and regulations ~~and industry standards and practices in all material respects, we could still be subject to claims of non-compliance~~ that we may not be able to successfully defend ~~and /~~ or **that** may result in significant fines and penalties. Moreover, any non- compliance or perceived non- compliance by us (~~and /~~ or any third party we engage) or any compromise of security that results in unauthorized access to (or use or transmission of) personal information could result in a variety of claims against us, including governmental enforcement actions, significant fines, litigation (including consumer class actions), claims of breach of contract and indemnity by third parties and adverse publicity. When such events occur, our reputation could be harmed and the competitive positions of our various brands and businesses could be diminished, which could adversely affect our business, financial condition and results of operations. Additionally, to the extent multiple U. S. state ~~- level~~ (and / or European Union member- state ~~level~~) laws continue to be introduced with inconsistent or conflicting standards and there is no federal or European Union regulation to preempt such laws, compliance could be even more difficult to achieve and our potential exposure to the risks discussed above could increase. Lastly, ongoing compliance with existing (and compliance with future) privacy and data protection laws worldwide is (and we expect that it will continue to be) costly. The devotion of significant ~~costs~~ **expenditures** to compliance (versus to the development of products and services) could result in delays in the development of new products and services, us ceasing to provide problematic products and services in existing jurisdictions and us being prevented from introducing products and services in new and existing jurisdictions, any or all of which could adversely affect our business, financial condition and results of operations. Our success depends, in part, on the integrity, quality, efficiency and scalability of our systems, technology and infrastructure, and those of third parties. We rely on our systems, technology and infrastructure to perform well on a consistent basis. From time to time in the past, we have experienced (and in the future we may experience) occasional interruptions that make some or all of this framework and related information unavailable or that prevent us from providing products and services; any such interruption could arise for any number of reasons. We also rely on third **-** party data center service providers and cloud- based, hosted web service providers, as well as third **-** party computer systems and a variety of communications systems and service providers in connection with the provision of our products and services generally, as well as to facilitate and process certain payment and other transactions with users. We have no control over any of these third parties or their operations and the interruption of any of the services provided by these parties could prevent us from accessing user and subscriber information and providing our products and services. **If any third parties upon which we rely cannot adequately or appropriately provide their services or perform their duties and responsibilities due to a cybersecurity incident or other interruption, we may be subject to business disruptions. Any business disruptions could adversely affect us and be costly to remediate, as well as result in user and customer dissatisfaction, reputational damage and / or legal or regulatory proceedings (among other adverse consequences), which could have an adverse effect on our business, financial condition and results of operations. While we may be entitled to damages if third parties fail to satisfy their data privacy or security- related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award.** Our systems, technology and infrastructure could be damaged or interrupted at any time due to ~~cyberattacks~~ **cybersecurity incidents** , fire, power loss, telecommunications failure, natural disasters, acts of war or terrorism, acts of God and other similar events or disruptions. Any event of this nature could prevent us from providing our products and services at all (or result in the provision of our products **and services** on a delayed or interrupted basis) ~~and /~~ or result in the loss of critical data. ~~While~~ **Businesses that we acquire may employ cybersecurity controls or information security policies less robust than ours, which may require us to expend additional resources to integrate acquired systems into our own, and which could expose us to heightened risk. The backup systems that** we and the third parties upon whom we rely have ~~certain backup systems~~ in place for certain aspects of our and their respective frameworks **may be** ~~, none of these frameworks are fully redundant and disaster recovery planning is not sufficient~~ **insufficient** for all **recovery** eventualities. In addition, we may not have adequate insurance coverage to compensate for losses from a major interruption. When such damages, interruptions or outages occur, our reputation could be harmed and the competitive positions of our various brands and businesses could be diminished, any or all of which could adversely affect our business, financial condition and results of operations. We also continually work to expand and enhance the efficiency and scalability of our systems, technology and infrastructure to improve the consumer and user experience, accommodate substantial increases in the number of visitors to our various platforms, ensure acceptable load times for our various products and services and keep up with changes in user and subscriber preferences. If we do not continue to do so in a timely and cost- effective manner, user and subscriber experiences and demand across our brands and businesses could be adversely affected, which would adversely affect our business, financial condition and results of operations. We depend on our key personnel. Our future success will depend upon our continued ability to identify, hire, develop, motivate and retain highly skilled, diverse and talented individuals worldwide, particularly in the case of senior leadership. Competition for well- qualified employees across IAC and its various businesses has been (and is expected to continue to be) intense, particularly in the case of senior leadership and technology roles, and we must continue to attract new (and retain existing) employees to compete effectively. While we have established programs to attract new (and retain existing) key and other employees, we may not be able to do so in the future. If we fail to retain key and other employees, this could result in the loss of institutional knowledge and the disruption of our day- to- day operations, which could adversely impact the effectiveness of our internal control framework and the ability of IAC and its various businesses to successfully execute long term strategic initiatives and other goals. If we do not ensure the effective transfer of knowledge to successors and smooth transitions (particularly in the case of senior leadership) by way of tailored succession plans across IAC and its various businesses, our business, financial condition and results of operations could be adversely affected. Item 1B. Unresolved Staff Comments